

(All financial information herein has been prepared in accordance with accounting principles generally accepted in Japan. This document is an English translation from the original Japanese-language document. This translation is not subject to auditing standards in the U.S.)

Listed company name: Original Engineering Consultants Co., Ltd. Stock listing: Tokyo Stock Exchange, Second Section
Code number: 4642 (URL <http://www.oec-solution.co.jp>)

Representative: Title President & Representative Director Name: Nobuhiko Suga
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Planned Annual General Meeting of Shareholders: March 27, 2015

Planned filing of a financial report: March 30, 2015

Date of scheduled payment of dividends: March 30, 2015

Earnings supplementary explanatory documents: None

Earnings presentation: None

(Amounts less than ¥1 million are truncated)

1. CONSOLIDATED FINANCIAL RESULTS FOR FY 2014 (January 1, 2014 to December 31, 2014)

(1) Consolidated Operating Results

(Percentages represent year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2014 ended December 31, 2014	5,133	10.8	519	157.7	524	152.3	479	176.1
FY 2013 ended December 31, 2013	4,634	6.1	201	-	208	-	173	-

(Note) Comprehensive income: FY 2014: ¥482 million (125.9%) FY 2013: ¥-213 million

	Net income per share-basic	Net income per share-diluted	Return on equity	Ordinary income to total assets	Operating margin
	Yen	Yen	%	%	%
FY 2014 ended December 31, 2014	65.17	-	12.4	10.6	10.1
FY 2013 ended December 31, 2013	23.25	-	4.8	4.4	4.4

(Reference) Gain (loss) on investment by equity method: FY 2014: ¥- million FY 2013: ¥- million

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2014	4,984	3,947	79.2	590.25
As of December 31, 2013	4,927	3,756	76.2	503.04

(Reference) Shareholders' equity: As of December 31, 2014: ¥3,947million As of December 31, 2013: ¥3,756million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	Million yen	Million yen	Million yen	Million yen
FY 2014 ended December 31, 2014	352	353	-403	1,366
FY 2013 ended December 31, 2013	269	264	-11	1,063

2. DIVIDENDS

(Record date)	Dividends per share					Total dividend amount (Full year)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	End of first quarter	Interim	End of third quarter	Fiscal year-end	Full year			
FY 2013 ended December 31, 2013	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00	Million yen -	% -	% -
FY 2014 ended December 31, 2014	Yen -	Yen 0.00	Yen -	Yen 4.00	Yen 4.00	Million yen 26	% 6.1	% 0.7
FY 2015 ending December 31, 2015(Forecast)	Yen -	Yen 0.00	Yen -	Yen 6.00	Yen 6.00	Million yen	% 13.4	%

3. FORECAST OF CONSOLIDATED RESULTS FOR FY 2015 (January 1, 2015 to December 31, 2015)

(Percentages represent changes from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	5,200	1.3	400	-23.0	405	-22.8	300	-37.4	44.86

*NOTES

(1) Changes in the scope of consolidation for significant subsidiaries during FY 2014 ended December 31, 2014: None

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatements:

(i) Changes in accounting policies in accordance with revision of accounting standards: Yes

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Retrospective restatements: None

(3) Number of outstanding shares (Common stock)

(i) Number of shares outstanding at end of period, including treasury stock

As of December 31, 2014: 7,796,800 shares As of December 31, 2013: 7,796,800 shares

(ii) Number of shares of treasury stock at end of period

As of December 31, 2014: 1,109,667 shares As of December 31, 2013: 329,605 shares

(iii) Average number of shares outstanding for each period

As of December 31, 2014: 7,356,048 shares As of December 31, 2013: 7,467,458 shares

(Reference) Summary of Non-consolidated Financial Results

NON-CONSOLIDATED FINANCIAL RESULTS FOR FY 2014 (January 1, 2014 to December 31, 2014)

(1) Non-consolidated Operating Results

(Percentages represent year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2014 ended December 31, 2014	5,105	11.3	522	168.2	531	164.9	486	190.4
FY 2013 ended December 31, 2013	4,587	6.7	194	–	200	–	167	–

	Net income per share-basic	Net income per share-diluted
	Yen	Yen
FY 2014 ended December 31, 2014	66.17	–
FY 2013 ended December 31, 2013	22.44	–

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2014	4,981	3,837	77.0	573.82
As of December 31, 2013	4,908	3,745	76.3	501.61

(Reference) Shareholders' equity: As of December 31, 2014: ¥3,837 million

As of December 31, 2013: ¥3,745 million

* Disclosure regarding the status of implementation of audit procedures

At the time of disclosure of this financial results report, the audit procedures for the consolidated financial statements pursuant to the Financial Instruments and Exchange Act were being carried out.

Note regarding forecasts and forward-looking statements

The business results forecasts presented are based on information available to the Company at the present time and are subject to potential risks and uncertainty. Accordingly, actual results may differ significantly from any expressed future performance herein due to various factors.

For matters relating to results forecasts, please refer to "1. ANALYSIS OF BUSINESS RESULTS AND FINANCIAL POSITION," "(1) Analysis of Business Results" on page 2 of the Attachment.

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1. ANALYSIS OF BUSINESS RESULTS AND FINANCIAL POSITION

(1) Analysis of Business Results

During the fiscal year ended December 31, 2014, the economic situation continued to be uncertain in Japan. Corporate earnings improved and employment increased thanks to the government's strong monetary policies and flexible fiscal policies, the so-called "Abenomics," and the Japanese economy remained on a recovery track. However, the yen continued to weaken and recovery in personal consumption was slow.

According to the Tankan survey in December 2014, the diffusion index (DI) for major manufacturers deteriorated slightly, down 1 percentage point from September 2014, while that of major non-manufacturers improved for the first time in three quarters, up 3 percentage points. Meanwhile, DI for small- and medium-sized enterprises remained positive, although its movement was small, with DI for manufacturers rising 2 percentage points from the previous survey while that for non-manufacturers fell 1 percentage point.

The business outlook for the following three-month forecast is that DI for major manufacturers will decrease 3 percentage points and that for major non-manufacturers will drop 1 percentage point. Thus, an increasing number of major companies are cautious about future business conditions. DI for small- and medium-sized enterprises, both manufacturers and non-manufacturers, is projected to be slightly worse than that for major companies.

In the engineering consultancy industry, the amount of work increased due mainly to the execution of the second-largest "15-month budget," combining the supplementary budget for fiscal 2013 with the budget for fiscal 2014, which is aimed at "promoting reconstruction and disaster prevention," "making citizens' lives safer and stimulating local communities," and "creating wealth through growth." In the revised "Act on Promoting Quality Assurance in Public Works," which was put into effect in June 2014, the following provision was added regarding consultancy operations, such as study, measurement and design: fair profit shall be secured to prevent dumping, improve working conditions of designers and develop/retain human resources. It is expected that ordering entities will thoroughly consider and comply with the new provision.

In this operating environment, the OEC Group worked aggressively to win orders in the water supply field, particularly for services related to asset management in line with the Water Supply Division, Ministry of Health, Labour and Welfare's (MHLW) new water supply vision that focuses on the key words of safety, strength, sustainability, collaboration and challenge. In the sewerage field, the OEC Group pursued orders in line with the seven major themes set by the Ministry of Land, Infrastructure, Transport and Tourism's (MLIT) Sewerage and Wastewater Management Department: strengthening of earthquake recovery and reconstruction support and implementation of national measures for safety and peace of mind; early reduction of areas lacking sewerage infrastructure; promotion of water environmental management; improvement of facilities management and operation; strengthening of sewerage management; promotion of measures to realize a low-carbon, recycling-oriented society; and promotion of international water business through globalization and private-public initiatives. As for the sewerage field, the OEC Group also made efforts to obtain orders for services relating to support by the Ministry of Internal Affairs and Communications for the introduction of local public enterprise-based accounting into small-scale water supply and sewerage operations in accordance with the Local Public Enterprise Law.

With regard to the OEC Group's internal organization, the Group strove to improve revenue by taking measures such as organizational restructuring with an eye to the "Era of Maintenance, Administration and Management", revitalization of communication between different levels, rapid course correction of management issues based on confirmation of management benchmarks by department on an as-needed basis, and appropriate budget management and process management for order-received projects to improve productivity and cut costs.

As a result, consolidated orders received during the fiscal year under review amounted to ¥5,588 million, an increase of 5.9% compared with the previous fiscal year, and net sales increased 10.8%, to ¥5,133 million. Operating income amounted to ¥519 million, an increase of 157.7% compared with the previous fiscal year, and ordinary income increased 152.3%, to ¥524 million. Net income for the fiscal year under review amounted to ¥479 million, an increase of 176.1% compared with the previous fiscal year.

Results by operating division were as follows.

[Engineering Consultant Department]

The Engineering Consultant Department received orders totaling ¥5,112 million during the fiscal year under review, an increase of 7.4% compared with the previous fiscal year. Sales by the department increased 8.1%, to ¥4,636 million.

[Information Processing Department]

In the Information Processing Department, orders received decreased 8.4% compared with the previous fiscal year, to ¥475 million. Sales by the department increased 44.3%, to ¥497 million.

Regarding the outlook for the fiscal year ending December 31, 2015, the Group anticipates a continuing harsh environment for orders owing to such factors as price competition among firms, although the national budget is expected to remain at the same level as the last fiscal year.

The Company, however, has made its internal organization leaner through company-wide awareness reform aimed at achieving the objective of "Every single employee works with the management sense," which has been consistently pursued under the present management structure. Amid the continued shortage of technical human

resources, the Company will solve management issues by developing internal human resources and securing excellent personnel, while aiming to increase orders received and revenue by continuing to reduce costs and ensure the quality of services provided.

Water supply and sewerage budgets, the Company's main business target, are expected to place emphasis on such areas as earthquake- and disaster prevention-related measures, programs to address aging infrastructure, and support services to reinforce operating foundations. Hence, the Group will aggressively carry out sales programs to meet such needs while continuing to enter into the water-related business field overseas, centering on emerging Asian countries, where economic development is remarkable and demand for water supply and sewerage infrastructure is expected to grow.

In the fiscal year ending December 31, 2015, the Group forecasts consolidated orders to decrease 5.2%, to ¥5,300 million, and net sales to increase 1.3%, to ¥5,200 million. Operating income is forecast to decrease 23.0%, to ¥400 million, and ordinary income to decrease 22.8%, to ¥450 million. Net income is forecast to decrease 37.4%, to ¥300 million.

(2) Analysis of Financial Position

Cash and cash equivalents increased ¥303 million compared with the end of the previous fiscal year to stand at ¥1,366 million at the end of the fiscal year under review. Significant factors contributing to this change included the posting of income before income taxes, and decreases in provision for retirement benefits and time deposits.

Main factors contributing to changes in cash flows during the fiscal year under review were as follows.

(Cash flows from operating activities)

Net cash provided in operating activities amounted to ¥352 million, compared with ¥269 million in the previous fiscal year. Significant items within this figure included income before income taxes of ¥523 million, an increase in net defined benefit liability of ¥262 million and a decrease in provision for retirement benefits of ¥414 million.

(Cash flows from investing activities)

Net cash provided in investing activities totaled ¥353 million, compared with ¥264 million in the previous fiscal year. Significant factors contributing to this change included a decrease in time deposits of ¥500million.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥403 million, compared with ¥11 million in the previous fiscal year. The main item was purchase of treasury stock amounting to ¥398 million.

(Reference) Cash Flow Indicator Trends

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Shareholders' equity ratio (%)	78.7	75.4	76.7	76.2	79.2
Shareholders' equity ratio on a market value basis (%)	16.2	18.6	23.5	37.7	73.1
Interest-bearing debt to cash flow ratio (years)	–	2.3	–	0.05	0.02
Interest coverage ratio (times)	–	9.4	–	174.3	292.6

Ratio formula:

Shareholders' equity ratio: Shareholders' equity / total assets

Shareholders' equity ratio on a market value basis: Market capitalization / total assets

Interest-bearing debts to cash flow ratio (years): Interest-bearing liabilities / cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities / interest payments

Notes:

1. All figures are calculated based on consolidated financial data.
2. Market capitalization is calculated by multiplying the share price at end of period by the number of shares outstanding at end of period (excluding treasury stock).
3. Cash flows in these indicators refer to net cash from operating activities as stated in the Consolidated Statements of Cash Flows. Interest-bearing liabilities are all liabilities presented on the Consolidated Balance Sheets that are subject to interest expenses. Interest payments are those stated in the Consolidated Statements of Cash Flows.
4. In the fiscal years ended December 31, 2010 and 2012, as cash flows from operating activities were negative, "interest-bearing debt to cash flow ratio" and "interest coverage ratio" for these periods are not presented.

(3) Basic Policy on Distribution of Profits and Dividends for FY 2014 and FY 2015

With regard to profit distribution, the Company's basic policy is to maintain stable dividend payments to shareholders over the long term. For the fiscal year under review, in light of earnings, internal reserves and other factors, the Company will pay a year-end dividend of ¥4 per share of common stock. For the fiscal year ending December 31, 2015, the Company forecasts a year-end dividend of ¥6 per share, when taking such factors as earnings estimates into account. Meanwhile, the Company will utilize internal reserves for human resources development and improving the quality of its design system, which will lead to intensification of business, and reinforcing its financial base.

(4) Business Risks

Any forward-looking statements contained in this report are based on judgments made by management as of the end of the fiscal year under review.

(i) Dependence on public works projects

Although the Group is making progress in developing businesses in new fields—including those catering to the private sector—and overseas water-related business, an extremely high proportion of the Group's business comprises public works projects for government agencies, public corporations and local public agencies. Owing to such factors as central government reforms in the area of public works budget allocation and the financial situation of local government agencies, budgets for public sewerage projects—the Group's main business—are expected to continue to shrink. There is the possibility that such factors may lead to a negative impact on net sales and operating income.

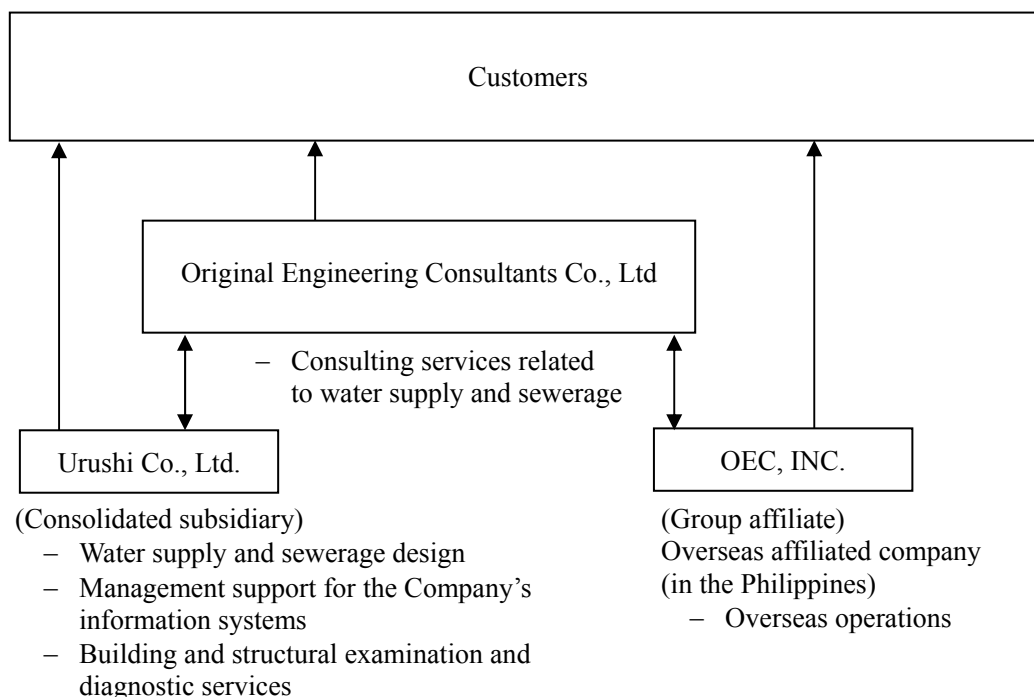
(ii) Responsibility for defects in finished products

The Group is strongly focused on maintaining and improving the quality of its products. Although the Group has adopted the ISO9001 quality management system, if a defect in one of the Group's products were to cause a major disruption to its customers, this may have a negative impact on the Group's operating performance.

2. OVERVIEW OF THE OEC GROUP'S ORGANIZATION

The OEC Group comprises the Company, one consolidated subsidiary, and one group affiliate. The Group's principal business activities are in the field of engineering consulting services related to public works, particularly in the area of water supply and sewerage. The Group's core services include the provision of feasibility studies, master plans, detailed project design, construction supervision and surveillance, and urban facilities information management.

The outline of the Group and its interrelations is as follows.



3. MANAGEMENT POLICIES

(1) Basic Management Policies

The OEC Group's core management philosophy is to: (1) contribute to the maintenance of people's living environment; (2) provide superior technologies through ceaseless efforts and the development of leading-edge technology; and (3) pursue business growth and the enhancement of employee welfare, underpinned by community trust.

Based on this philosophy, the Group develops technologies to conserve water resources and protect natural ecosystems, and develops new services derived from such technologies. The Group's basic policy is to broaden its business domain, expand the markets in which it operates and increase sales. In doing so, the Group works to improve its operating performance and increase shareholder value through the realization of sustained business growth and expansion.

(2) Target Management Index

The business projections prepared by the Group to maximize its corporate value as well as to emphasize its shareholders' return are as follows.

Management target	Medium-term management plan target	FY 2014 (Result)	FY 2015 (Forecast)
1. Amount of orders	Over ¥6.0billion	¥5.5 billion	¥5.3 billion
2. Operating margin	Over 10.0%	10.1%	7.7%
3. Net income per share	Over ¥70	¥65.17	¥44.86

(3) Medium- and Long-Term Management Strategies

The water supply and sewerage systems market—in which the Group provides its consulting services—is undergoing a rapid shift away from the dominance of conventional design services toward orders for services that focus on the “Era of Maintenance, Administration and Management,” including system lifetime extension, stock and asset management, natural-disaster risk reduction, and resource conservation and energy efficiency enhancement. As its management strategy, the Group is utilizing ICT technology—developed and built up over many years—as a solid foundation for the provision of a diverse range of consulting services in the Group’s principal field of water supply and sewerage as well as in such fields as river management, waste and environmental management, overseas business, the provision of a variety of software, and diagnostic business covering buildings, civil engineering structures, machinery and facilities. In doing so, the Group aims to achieve differentiation from its competitors and establish a sound medium-to-long-term business base.

The Group’s Main Consulting Services

Water Supply Systems

- (1) Restoration of sound management: review of plans for restoration of management soundness in small-scale water supply operations and support services for transition to local public enterprise-based accounting; support services for formulation of reform plans for water charges; formulation of local area water supply vision; formulation of wide-area water supply plans; support for the development of asset management systems; review services for public agencies adopting private finance initiatives (PFI)
- (2) Promotion of systematic renewal programs: formulation of plans to increase facility earthquake resistance and formulation of renewal programs; degradation diagnostic services for pipes, structures and facilities; planning for the introduction of advanced water treatment facilities
- (3) Review of energy efficiency and energy source utilization: measures to address appropriate electricity consumption and reduction of environmental burden; plans to utilize water-operations-based energy sources (for small-scale hydro-electric generation systems, etc.)

Sewerage Systems

- (1) Comprehensive medium- to long-term plans: formulation of sewerage system vision; formulation of sewerage treatment plans
- (2) Strengthening of management foundations: investigation and evaluation services for sewerage system assets; support services for transition to local public enterprise-based accounting; review services for public agencies adopting comprehensive private consignment; review services for public agencies adopting PFI
- (3) Systematic renewal programs: formulation of sewerage system lifetime extension plans (pipes, pump stations, treatment plants); support services for the development of sewerage asset management systems
- (4) Earthquake preparedness programs: services for the formulation of sewerage system comprehensive earthquake preparedness plans; seismic capacity evaluation and planning services for sewerage facilities (pipes, pump stations, treatment plants); services for the preparation of sewerage system business continuity plans (BCP; earthquake preparedness) ; services for the preparation of tsunami countermeasure plans
- (5) Flood damage abatement: services for the preparation of sewerage system comprehensive flood damage abatement plans; development of flood hazard maps
- (6) Development of resource and energy cycles: services for the preparation of biomass (biosolids) utilization plans; review services for recovery of phosphorus from sewage and sewage sludge; review services for the adoption of energy efficiency and energy generation technologies; services for the preparation of biogas utilization plans; services for the preparation of global warming mitigation plans; design services for such renewable energy facilities as solar power, wind power and small-scale hydro-electric generation systems
- (7) Improvement of combined sewerage systems: services for the preparation of combined sewerage system improvement plans
- (8) Water quality improvement in public bodies of water: services for the preparation of advanced treatment plans at sewage treatment plant; review services for operational support utilizing an activated sludge model (ASM); activated sludge model simulation (BIO-SOLUTION); services for the preparation of treated sewage reuse plans

River Management

- (1) Promotion of flood abatement measures: formulation of joint urban flood control plans; development of flood hazard maps; planning of rainwater storage and infiltration facilities
- (2) Promotion of systematic renewal: planning of long-life facilities (flood gates, drainage pump stations, etc.); degradation diagnostic services for facilities and equipment
- (3) Development of a healthy water cycle: flow regime improvement plans; water quality protection plans

Waste and Environmental Management

- (1) Proposal-based services: formulation of plans for water quality improvement (protection)
- (2) Promotion and design of systematic renewal: planning of long-life facilities (incineration facilities, sewage treatment plant, final disposal sites, etc.); degradation diagnostic services for facilities and equipment; investigations on the potential for adopting PFI, etc.
- (3) Review of energy source utilization: biomass energy utilization plans; incinerator waste heat utilization plans; mixed incineration plans for sewage sludge and urban garbage
- (4) Environmental surveys: living environment impact surveys; soil and groundwater contamination surveys

Overseas Business

- (1) Advance preparations: preliminary investigations and identification of potential projects for improvement of water, sanitation and living environments in developing countries
- (2) Planning and design: preparation of master plans and feasibility studies for improvement of water, sanitation and living environments in developing countries
- (3) Detailed design: detailed design of facility structural components for projects
- (4) Construction management: construction management of built facility structural components for projects
- (5) Evaluation: Project post-completion evaluation and monitoring
- (6) Public-private partnership (PPP) water infrastructure business support: business development support for companies pursuing the formation of PPP water infrastructure projects
- (7) Base of pyramid (BOP) business support: business development support for companies pursuing the formation of BOP-related environmental projects
- (8) Overseas business development support for small- and medium-sized enterprise (SMEs): business development support for SMEs pursuing the formation of overseas environmental projects

Guard IT Series (Software Provision)

● Water Supply Systems

- (1) Construction works and asset information: works register system; asset management system; business accounting system
- (2) Facilities information: plant register information system; water supply register information system; pipe network calculation system; water supply register touch panel viewing system; water supply register Web-based publishing service
- (3) Operations management information: water supply application information system; water supply disruption information system; property possession information system
- (4) Related information: ground information system; provisional benchmark information system

● Sewerage Systems

- (1) Construction works and asset information: works register system; asset management system; business accounting system
- (2) Treatment station and pump station facilities information: plant register information system; maintenance and inspection information system; water quality test information system; lifetime extension support system; stock management support system
- (3) Pipeline infrastructure information system: sewer register information system; sewer planning support information system; manhole information system; lifetime extension support system; stock management support system; information system for earthquake disaster preparedness; sewer register touch panel viewing system; sewer register Web-based publishing service
- (4) Operations management information: drainage facility information system; flush lavatory conversion program information system; property possession information system; designated business site information system; user fee management system; user fee levy information system; sewage treatment investigation information system

● Urban Facilities (other urban infrastructure, etc.)

- (1) Construction works and asset information: works register system; asset management system; business accounting system
- (2) Facilities information: plant register information system
- (3) Operations management information: property possession information system; touch panel register viewing system; Web-based register publishing service
- (4) Related information: ground information system

Diagnostic Business covering Buildings, Civil Engineering Structures, Machinery and

Facilities

- (1) Non-destructive inspection system for concrete structure soundness diagnosis (elastic wave radar system: i-TECS)
- (2) Non-destructive inspection system for simplified surveys of concrete structures (concrete tester: CTS-02)
- (3) Acoustic diagnostic system for simplified structural soundness diagnosis of facilities and equipment (sound checker: SIDS-01)

(4) Company Issues

With regard to the water supply and sewerage business, the OEC Group's main business target, water supply and sewerage facilities have been intensively developed so far, but they are now projected to age rapidly, as with other social infrastructure. Consequently, from now on, water supply and sewerage budgets are expected to focus on maintenance and renewal of existing facilities. Besides, demand for sophisticated, diverse consulting services, such as understanding facilities' safety and soundness and raising of the levels of facilities' maintenance and renewal, are increasing.

Under these circumstances, the Group will address the following key issues as it continually implements business strategies designed to respond to changes in market conditions and strives to achieve a sound management footing in a sustainable way.

1. Promote proposal-based marketing in line with the future policies on public sewerage works projects to increase orders received.
2. Reduce the overall cost structure to achieve stable revenue.
3. Introduce advanced technology to meet market needs and enhance the quality of services provided.
4. Rapidly identify customer needs, and provide the best possible solutions.
5. Utilize the Group's domestic and overseas business network to develop sales programs targeting overseas water business opportunities.

4. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

	FY 2013 (as of December 31, 2013)	FY 2014 (as of December 31, 2014)
Category	Amount (thousand yen)	Amount (thousand yen)
Assets		
Current assets		
Cash and deposits	1,778,432	2,381,788
Accounts receivable—completed operation	1,428,386	1,530,057
Costs on uncompleted services	684	14,073
Deferred tax assets	56,409	100,498
Other	42,433	50,938
Total current assets	3,306,346	4,077,355
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	476,065	489,228
Accumulated depreciation	-348,570	-352,003
Buildings and structures, net	127,495	137,225
Land	150,015	150,015
Lease assets	20,844	11,815
Accumulated depreciation	-11,901	-7,601
Lease assets, net	8,943	4,214
Other	126,140	131,736
Accumulated depreciation	-114,398	-117,794
Other, net	11,742	13,942
Total property, plant and equipment	298,196	305,397
Intangible assets		
Software	83,093	79,076
Lease assets	4,347	1,934
Other	7,178	7,178
Total intangible assets	94,619	88,189
Investments and other assets		
Investment securities	184,180	287,484
Long-term loans receivable	15,914	15,114
Long-term deposits	800,000	—
Other	237,545	219,919
Allowance for doubtful accounts	-9,036	-9,036
Total investments and other assets	1,228,603	513,481
Total noncurrent assets	1,621,419	907,068
Total assets	4,927,766	4,984,423

	FY 2013 (as of December 31, 2013)	FY 2014 (as of December 31, 2014)
Category	Amount (thousand yen)	Amount (thousand yen)
Liabilities		
Current liabilities		
Accounts payable—operating	169,818	168,318
Lease obligations	5,666	4,759
Income taxes payable	75,865	63,063
Advances received on uncompleted contracts	117,301	184,315
Provision for bonuses	17,543	17,480
Provision for loss on order received	34,878	36,007
Provision for loss on litigation	24,200	—
Other	219,153	215,519
Total current liabilities	664,427	689,464
Noncurrent liabilities		
Lease obligations	8,560	2,138
Deferred tax liabilities	30,662	30,622
Provision for retirement benefits	414,595	—
Net defined benefit liability	-	262,105
Asset retirement obligations	44,785	44,640
Other	8,400	8,400
Total noncurrent liabilities	507,005	347,906
Total liabilities	1,171,432	1,037,371
Net assets		
Shareholders' equity		
Capital stock	1,093,000	1,093,000
Capital surplus	3,109,291	2,899,794
Retained earnings	-198,765	490,098
Treasury stock	-285,181	-683,784
Total shareholders' equity	3,718,345	3,799,108
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	37,988	41,444
Remeasurements of defined benefit plans	-	106,500
Total valuation and translation adjustments	37,988	147,944
Total net assets	3,756,333	3,947,052
Total liabilities and net assets	4,927,766	4,984,423

(2) Consolidated Statements of Operations

Category	FY 2013 (from January 1, 2013 to December 31, 2013)	FY 2014 (from January 1, 2014 to December 31, 2014)
	Amount (thousand yen)	Amount (thousand yen)
Contracts completed	4,634,461	5,133,106
Cost of completed work	3,318,673	3,481,408
Gross profit	1,315,787	1,651,697
Selling, general and administrative expenses	1,114,170	1,132,202
Operating income	201,616	519,494
Non-operating income		
Interest income	3,188	2,671
Dividend income	3,954	4,646
Contribution received for operations performed by dispatched employees	2,744	3,480
Foreign exchange gains	1,995	858
Gain on cancellation of insurance contract	1,737	2,133
Other	5,539	3,818
Total non-operating income	19,159	17,609
Non-operating expenses		
Interest expenses	1,544	1,204
Expenses for securities transactions	10,970	9,538
Other	175	1,438
Total non-operating expenses	12,689	12,182
Ordinary income	208,086	524,921
Extraordinary income		
Compensation for transfer	*2,744	—
Total extraordinary income	2,744	—
Extraordinary loss		
Loss on retirement of noncurrent assets	2,746	1,480
Provision for loss on litigation	24,200	—
Total extraordinary loss	26,946	1,480
Income before income taxes	183,884	523,441
Income taxes—current	67,611	87,912
Income taxes-deferred	-57,345	-43,837
Total income taxes	10,266	44,075
Income before minority interests	173,618	479,366
Net income	173,618	479,366

Consolidated Statements of Comprehensive Income

	FY 2013 (from January 1, 2013 to December 31, 2013)	FY 2014 (from January 1, 2014 to December 31, 2014)
Category	Amount (thousand yen)	Amount (thousand yen)
Income before minority interests	173,618	479,366
Other comprehensive income		
Valuation difference on available-for-sale securities	40,100	3,455
Total other comprehensive income	40,100	3,455
Comprehensive income	213,719	482,822
Comprehensive income attributable to:		
Comprehensive income attributable to owner of the parent	213,719	482,822
Comprehensive income attributable to minority interests	—	—

(3) Consolidated Statements of Changes in Net Assets
FY 2013 (from January 1, 2013 to December 31, 2013)

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	1,093,000	3,109,291	-372,383	-285,052	3,544,855
Changes of items during the period					
Net income			173,618		173,618
Purchase of treasury stock				-128	-128
Deficit disposition					
Net changes of items other than shareholders' equity					
Total changes of items during the period			173,618	-128	173,489
Balance at the end of current period	1,093,000	3,109,291	-198,765	-285,181	3,718,345

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total valuation and translation adjustments	
Balance at the beginning of current period	-2,112	-	-2,112	3,542,743
Changes of items during the period				
Net income				173,618
Purchase of treasury stock				-128
Deficit disposition				
Net changes of items other than shareholders' equity	40,100		40,100	40,100
Total changes of items during the period	40,100	-	40,100	213,590
Balance at the end of current period	37,988	-	37,988	3,756,333

FY 2014 (from January 1, 2014 to December 31, 2014)

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	1,093,000	3,109,291	-198,765	-285,181	3,718,345
Changes of items during the period					
Net income			479,366		479,366
Purchase of treasury stock				-398,603	-398,603
Deficit disposition		-209,497	209,497		-
Net changes of items other than shareholders' equity					
Total changes of items during the period		-209,497	688,863	-398,603	80,762
Balance at the end of current period	1,093,000	2,899,794	490,098	-683,784	3,799,108

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total valuation and translation adjustments	
Balance at the beginning of current period	37,988	—	37,988	3,756,333
Changes of items during the period				
Net income				479,366
Purchase of treasury stock				-398,603
Deficit disposition				—
Net changes of items other than shareholders' equity	3,455	106,500	109,956	109,956
Total changes of items during the period	3,455	106,500	109,956	190,719
Balance at the end of current period	41,444	106,500	147,944	3,947,052

(4) Consolidated Statements of Cash Flows

	FY 2013 (from January 1, 2013 to December 31, 2013)	FY 2014 (from January 1, 2014 to December 31, 2014)
Category	Amount (thousand yen)	Amount (thousand yen)
Cash flows from operating activities		
Income before income taxes	183,884	523,441
Depreciation and amortization	59,484	53,110
Increase/decrease in provision for bonuses	-1,527	-63
Increase/decrease in provision for loss on order received	5,310	1,129
Increase/decrease in provision for retirement benefits	-36,438	-414,595
Increase/decrease in net defined benefit liability	—	262,105
Increase/decrease in provision for loss on litigation	24,200	-24,200
Interest and dividends income	-7,143	-7,318
Interest expenses	1,544	1,204
Loss/gain on sales and retirement of noncurrent assets	2,746	1,480
Increase/decrease in notes and accounts receivable—trade	-11,262	-101,670
Increase/decrease in costs on uncompleted services	6,490	-13,389
Increase/decrease in notes and accounts payable—trade	-32,126	-1,500
Increase/decrease in advances received on uncompleted services	52,331	67,014
Other	66,147	99,882
Subtotal	313,641	446,631
Interest and dividends income received	7,204	7,137
Interest expenses paid	-1,544	-1,204
Income taxes paid	-50,964	-100,032
Income taxes refund	755	—
Net cash provided by (used in) operating activities	269,093	352,532

	FY 2013 (from January 1, 2013 to December 31, 2013)	FY 2014 (from January 1, 2014 to December 31, 2014)
Category	Amount (thousand yen)	Amount (thousand yen)
Cash flows from investing activities		
Increase/decrease in time deposits	315,113	500,000
Purchase of property, plant and equipment	-14,797	-24,824
Purchase of intangible assets	-26,933	-31,645
Proceeds from collection of insurance funds	12,564	12,173
Payments for lease and guarantee deposits	-16,885	-2,974
Proceeds from collection of lease and guarantee deposits	5,608	7,271
Proceeds from redemption of investment securities	600,000	200,298
Purchase of investment securities	-600,000	-300,000
Other payments	-11,333	-7,504
Other proceeds	711	800
Net cash provided by (used in) investing activities	264,047	353,594
Cash flows from financing activities		
Purchase of treasury stock	-128	-398,603
Repayments of lease obligations	-11,075	-5,168
Cash dividends paid	-2	—
Net cash used in financing activities	-11,206	-403,771
Effect of exchange rate change on cash and cash equivalents	1,995	858
Net increase/decrease in cash and cash equivalents	523,929	303,213
Balance of cash and cash equivalents at beginning of the year	539,078	1,063,008
Balance of cash and cash equivalents at end of the year	1,063,008	1,366,221

(5) Notes regarding the Consolidated Financial Statements

(Matters Affecting the Assumption of a Going Concern)

No applicable items.

(Significant Basic Items for Consolidated Financial Statements)

Items relating to the application of the equity method

(1) Number of non-consolidated subsidiaries and affiliated companies to which the equity method is applied

There are no non-consolidated subsidiaries or affiliated companies to which the equity method is applied.

(2) Significant non-consolidated subsidiaries and affiliated companies to which the equity method is not applied

Significant non-consolidated subsidiaries

There are no significant non-consolidated subsidiaries.

Significant affiliated companies

OEC, INC.

(Reason for not applying the equity method)

The non-consolidated subsidiaries and affiliated companies to which the equity method is not applied are of small scale and from the perspective of such items as net income and loss (in proportion to the equity held) and retained earnings (in proportion to the equity held) even if such companies are excluded from the application of the equity method, the impact on the Company's consolidated financial statements is minimal and the importance of such companies is small in relation to the overall Group. For these reasons such companies are excluded from the application of the equity method.

(Changes in accounting policies)

(Application of accounting standards, etc., for retirement benefits)

The Company has applied the "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012; hereinafter the "Accounting Standard for Retirement Benefits") and the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, May 17, 2012; hereinafter the "Guidance on Retirement Benefits") (excluding the provisions stipulated in the text of Item 35 of the Accounting Standard for Retirement Benefits and the provisions stipulated in the text of Item 67 of the Guidance on Retirement Benefits) from the beginning of the fiscal year under review. With this application, the amount obtained by subtracting pension assets from retirement benefit obligations is recorded as net defined benefit liability, and unrecognized actuarial difference is posted as net defined benefit liability.

The application of the accounting standard for retirement benefits, etc., conforms to the transitional treatment stipulated in Item 37 of the Accounting Standard for Retirement Benefits, and the effect of the change was recognized in remeasurements of defined benefit plans under valuation and translation adjustments at the end of the fiscal year under review.

As a result, net defined benefit liability of ¥262 million was posted and valuation and translation adjustments increased ¥106 million at the end of the fiscal year under review.

(Consolidated Statements of Operations)

* The breakdown of compensation for transfer is as follows:

FY 2013 (from January 1, 2013 to December 31, 2013)

Compensation for transfer, which is associated with the relocation of a local office, is obtained by subtracting office transfer expense of ¥463 thousand from compensation received of ¥3,208 thousand.

Fiscal year under review (from January 1, 2014 to December 31, 2014)

No applicable items.

(Segment Information)

Segment Information

Previous fiscal year (January 1 to December 31, 2013) and fiscal year under review (January 1 to December 31, 2014)

Since the OEC Group's business operations comprising engineering consulting and related services are conducted within a single business segment, segment information is omitted.

(Per Share Information)

FY 2013 (from January 1, 2013 to December 31, 2013)		FY 2014 (from January 1, 2014 to December 31, 2014)	
Net assets per share	¥503.04	Net assets per share	¥590.25
Net income per share	¥23.25	Net income per share	¥65.17
Because there are no residual securities, no figures are shown for net income per share—diluted.		Since there are no residual securities, no figures are shown for net income per share—diluted.	

Notes: 1. The basis for calculation of net assets per share is as follows.

	FY 2013 (from January 1, 2013 to December 31, 2013)	FY 2014 (from January 1, 2014 to December 31, 2014)
Net assets for the period (thousand yen)	3,756,333	3,947,052
Deduction amount from total net assets (thousand yen)	—	—
Net assets attributed to common stock (thousand yen)	3,756,333	3,947,052
Number of common stock outstanding at end of the period (shares)	7,467,195	6,687,133

2. The basis for calculation of net income per share is as follows.

	FY 2013 (from January 1, 2013 to December 31, 2013)	FY 2014 (from January 1, 2014 to December 31, 2014)
Net income for the period (thousand yen)	173,618	479,366
Amount not attributed to common shareholders (thousand yen)	—	—
Net income attributed to common stock (thousand yen)	173,618	479,366
Average number of common stock outstanding (shares) during the period	7,467,458	7,356,048

(Significant Subsequent Events)

No applicable items.

5. OTHER

(1) Changes in Directors

1. Changes in Representative Directors

No applicable items.

2. Other Changes in Directors

No applicable items.

(2) Orders Received/Sales

1. Consolidated Orders Received

Consolidated orders received are as follows.

(Thousand yen)

Department	FY 2013 (from January 1, 2013 to December 31, 2013)		FY 2014 (from January 1, 2014 to December 31, 2014)	
	Orders received	Order backlog	Orders received	Order backlog
Engineering Consultant: Water supply and sewerage system (feasibility studies, master plans, detailed design and construction supervision surveillance)	4,585,711	2,843,116	5,033,498	3,373,664
Others	172,840	115,138	79,230	61,314
Subtotal	4,758,551	2,958,255	5,112,728	3,434,978
Information Processing: Data management of urban facilities and software development	519,303	401,814	475,498	380,211
Subtotal	519,303	401,814	475,498	380,211
Total	5,277,855	3,360,070	5,588,226	3,815,190

Notes: 1. The amounts shown are the selling price. Consumption tax is not included.
2. The quantity is not included due to the difficulty in recording.

2. Consolidated Sales

Consolidated sales are as follows.

(Thousand yen)

Department	FY 2013 (from January 1, 2013 to December 31, 2013)		FY 2014 (from January 1, 2014 to December 31, 2014)	
	Amount	Ratio	Amount	Ratio
Engineering Consultant: Water supply and sewerage system (feasibility studies, master plans, detailed design and construction supervision surveillance)	4,121,920	89.0	4,502,951	87.7
Others	168,055	3.6	133,054	2.6
Subtotal	4,289,975	92.6	4,636,005	90.3
Information Processing: Data management of urban facilities and software development	344,486	7.4	497,101	9.7
Subtotal	344,486	7.4	497,101	9.7
Total	4,634,461	100.0	5,133,106	100.0

Notes: 1. The amounts shown are the selling price. Consumption tax is not included.
2. The quantity is not included due to the difficulty in recording.